

REMARKS

After entry of the RCE, Applicants reply to the Advisory Action dated September 9, 2010, and further reply to the final Office Action dated July 22, 2010. Claims 1-17, 19 and 20 are pending in the application and the Examiner rejects claims 1-17, 19 and 20. Applicants assert that the application is in condition for allowance and reconsideration of the pending claims is requested.

§103 Rejections

In the Office Action dated July 22, 2010, the Examiner rejects claims 1-7, 9-12, 14-15, 19, and 20 under 35 U.S.C. §103(a) as being unpatentable over Seidman et al., U.S. Patent No. 6,671,358 (“Seidman”) in view of Perron et al., U.S. Publication No. 2002/0047049 (“Perron”), and further in view of Atalla, U.S. Patent No. 4,268,715 (“Atalla”). Furthermore, the Examiner rejects claims 8 and 13 under 35 U.S.C. §103(a) as being unpatentable over Seidman, in view of Perron, in further view of Atalla, and in further view of Official Notice. The Examiner rejects claim 16 under 35 U.S.C. §102(e) as being anticipated by Johnson, Jr., U.S. Patent No. 6,185,307 (“Johnson”).¹ The Examiner rejects claim 17 under 35 U.S.C. §103(a) as being unpatentable over Perron, in view of Atalla, and further in view of Mori et al., U.S. Patent No. 6,085,168 (“Mori”).

In the Advisory Action, and in response to Applicants’ remarks in the Office Action Reply, the Examiner asserts that Atalla does disclose that the random number is used to look up KEY₁. For support, the Examiner cites column 3, lines 7-18 and column 4, lines 25-32 of Atalla. Applicants respectfully disagree.

The specifically cited portion of Atalla discloses “[i]n response to PIN data entered by a user and in response to a random number (RN) produced by random number generator 13, algorithm module 15 produces a user identifier code (ID) which may be transmitted and applied to comparator 21 at the receiving location. The RN produced by random number generator 13 is also transmitted to an I.A.M. 19 in the receiving station 25. A predetermined authentic PIN (prestored in a selected register of storage file 17) may be accessed and applied to algorithm module 19 along with the received RN to produce a new user identifier code (ID').” (col. 3, ln. 7-18). Applicants strongly disagree that this statement supports the Examiner’s assertion. The

¹ Applicant assumes the Examiner intended to reject claim 16 under 35 U.S.C. §103(a), and as such the rejection will be addressed under this section.

cited portion does not even mention a stored decryption key, let alone using a random number to look up the decryption key. In contrast, the cited portion merely discloses producing a user identifier code at a user station, and then comparing to a new user identifier code produced at a processing station.

The other specifically cited portion of Atalla discloses “[t]he encoded data, together with the associated random number (RN) is then transmitted from user station 53 to processing station 55. The random number (RN) thus received by station 55 and the prestored authentic PIN which is accessed from file 47 are applied to algorithm module 49 which **produces** an encryption key (KEY’) that should be identical to the KEY, and this KEY’ is applied to decoding module 51.” (col. 4, ln. 25-32, emphasis added). Applicants again disagree that this supports the Examiner’s assertion. As emphasized above, the processing station using the random number to **produce** an encryption key (KEY’). Therefore, the encryption key (KEY’) is not a stored key, but is instead a generated key. Thus, Applicants maintain their prior argument that **the use of the random number is in the creation of KEY₁, but not the lookup of KEY₁.**

None of the cited references whether taken individually or in combination, disclose or contemplate at least “wherein the transaction device random number is used to lookup a previously stored decryption key for decrypting at least one of the transaction device identifier and the transaction device authentication tag, the transaction device random number having been received from the RFID transaction device,” as recited in independent claim 1, and as similarly recited in independent claims 15 and 17.

Claims 2-14, 16, 19 and 20 variously depend from independent claims 1, 15, and 17, therefore dependent claims 2-14, 16, 19 and 20 are differentiated from the cited references for at least the same reasons as set forth above, as well as in view of their own respective features.

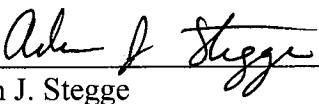
When a phrase similar to “at least one of A, B, or C” or “at least one of A, B, and C” is used in the claims or specification, Applicant intends the phrase to mean any of the following: (1) at least one of A; (2) at least one of B; (3) at least one of C; (4) at least one of A and at least one of B; (5) at least one of B and at least one of C; (6) at least one of A and at least one of C; or (7) at least one of A, at least one of B, and at least one of C.

In view of the above remarks, Applicants respectfully request withdrawal of all rejections of the pending claims. The Examiner is invited to telephone the undersigned at the Examiner’s

convenience, if that would help further prosecution of the subject application. The Commissioner is authorized to charge any fees due to Deposit Account No. 19-2814.

Respectfully submitted,

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